

Lone Star Industries, Inc. 10401 N. Meridian Street, Suite 400 Indianapolis, Indiana 46290

FAX

DATE: August 8, 2002 NUMBER OF PAGES: 3

TO: D. Wayne Hedberg

SUBJECT: Proposal Australia

FAX NO: 801-359-3940

FROM: Gregory J. Morical - Assistant General Counsel

DIRECT PHONE: 317-706-3362

MESSAGE:



Confidentiality Notice

The information contained in this facsimile message is privileged and confidential information intended only for the use of the individual or entity named above. If the reader of this message is not the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you receive this communication in error, please notify the sender referenced above by telephone to arrange for the return of the information



Gregory J. Morical Assistant General Counsel direct phone 317.706.3362 fax 317.805.3362 gmorical@lonestarind.com

August 8, 2002

VIA U.S. MAIL AND FASCIMILE (801-359-3940)

D. Wayne Hedburg
Permit Supervisor
Mineral Regulatory Program
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P. O. Box 145801
Salt Lake City, Utah 84114-5801

Re: Proposed Amendment to Approved Notice of Intention, Little Mountain Quarry (M/045/005)

Dear Wayne:

Pursuant to Utah Admin. Code R647-4-120, Lone Star Industries, Inc., on behalf of its wholly owned subsidiary, Utah Portland Quarries, Inc. ("Utah Portland") hereby requests Division approval of an insignificant amendment to the approved Notice of Intention ("NOI") for the Little Mountain Quarry (M/045/005). In the original and current NOI and reclamation contract for the Quarry the amount of disturbed acreage is identified as 20.4 acres. By this request, Utah Portland seeks to amend the disturbed acreage amount in the NOI to 23.3 acres, for reasons explained below. If approval is received, Utah Portland will include the revised acreage figure in the reclamation contract and replacement surety bond it is currently preparing for the Quarry in conjunction with the Division. The additional acreage will be reclaimed in accordance with the provisions of the approved reclamation plan.

As you know, the Quarry has been in inactive status for several years and Utah Portland has been working with the Division to secure an extension of the term of the NOI. We understand that during a recent site visit conducted by Division staff in connection with that effort, staff conducted a GPS survey of the Quarry and concluded that the total disturbed area (some of which has revegetated) is approximately 23.3 acres. Division staff also concluded that the proposed amount of the replacement Surety Bond for the Quarry (\$69,800) is adequate to reclaim the disturbed area of 23.3 acres. (See Letter from the Division to Lone Star Industries Inc. dated

June 24, 2002, which also attaches a Division map, dated 6/11/02, illustrating the extent of the GPS-surveyed disturbed area). While we have not attempted to verify the results of the GPS survey, we accept them for purposes of this permit amendment request.

In light of the above, the Division requested and Utah Portland agreed that a permit amendment should be made to reflect the actual disturbed acreage. Utah Portland understands that prior to recommencing operations it and the Division will need to revisit the bond amount and the amount of existing and proposed disturbed acreage to ensure that reclamation of any additional disturbance is adequately bonded.

If you have any questions, please call me at (317) 706-3362.

Sincerely,

Gregory J. Morical

GJM/srm